

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:2900

ANSWERED ON:11.08.2005

SHORTAGE OF KEROSENE

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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the production of kerosene oil is less than the demand and it is being imported in large quantity for public distribution;
- (b) if so, whether many private sector companies are exporting oil having similar properties of kerosene oil for earning profits; and
- (c) if so, the reasons as to why the Government is not purchasing kerosene oil from these companies in order to avoid import of large quantity of kerosene oil ?

Answer

MINISTER OF PETROLEUM & NATURAL GAS AND PANCHAYATI RAJ (SHRI MANI SHANKAR AIYAR)

(a) to (c): Although current refinery capacity is sufficient to meet the domestic demand of PDS kerosene, Oil marketing companies who are distributing PDS Kerosene had represented to the Government that owing to non-availability of adequate quantities of kerosene from domestic refineries they have to import kerosene at higher prices, whereas some of the stand-alone refineries were exporting jet kerosene/aviation turbine fuel which is equivalent to PDS kerosene product. Considering that non-availability of kerosene may assume significant proportions, it became essential that Government take pro-active action. Accordingly, a proposal to direct refineries to produce a minimum amount of kerosene has been examined. The Department of Legal Affairs has confirmed the powers of the Central Government to issue such an order under the Essential Commodities Act. In the meantime, Oil marketing companies have been advised to discuss the availability of kerosene with various refineries to meet domestic demand.